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Congress of the United States
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NATIONAL SECURITY
GUN VIOLENCE PREVENTION
TASK FORCE
Vice Chair

September 30, 2014

Dr. Laura Junor
Principal Deputy Under Secretary of Defense for Personnel and Readiness
4000 Defense Pentagon
Washington, D.C. 20301-4000

Dear Dr. Junor:

I am writing to demand you to exercise any options you have available to cancel your exchange contracts with Burger King. As I am sure you are aware, Burger King recently announced their plans to merge with the Canadian company Tim Hortons and move the company's headquarters to Canada, allowing them to significantly decrease the amount of taxes paid to the United States. Government facilities and the dollars of our service members should go to American companies, not to tax-dodging international corporations. But the Navy Exchange and the Army and Air Force Exchange Service (AAFES) report that Burger King currently has 173 locations at U.S. military bases at home and overseas.

Corporate tax inversions like these are costing the U.S. tax base billions of dollars in lost revenue. According to the Congressional Research Service, 47 U.S. companies have reincorporated to other countries to gain lower tax rates in the last 10 years, and *Bloomberg* found that nine other companies plan to do so in the coming year. The Joint Committee on Taxation estimates that legislation to stop these inversions would save the U.S. nearly \$20 billion over 10 years.

Though exchanges do not run on appropriated funds, they receive tens of millions in benefits indirectly from taxpayer dollars by being exempt from rent from U.S. properties owned by the U.S. government, not paying salaries for military personnel working at the exchanges, and receiving free utilities associated with overseas exchanges. As you are aware, DoD Instruction 4105.67 lays out that the Department of Defense favors and promotes the sale of U.S. merchandise and services.

As the official responsible for overseeing these exchanges, I demand you exercise your authority to end contracts with corporations that utilize tax inversion to avoid paying U.S. taxes and preserve these opportunities for businesses that are proud to be American businesses. If you do not have this authority, please respond in writing with what additional authorities you would need to enhance your oversight powers over the exchanges to ensure business integrity.

Additionally, please provide:

1. Copies of the exchange's contracts with Burger King;
2. Any audits or performance reviews of Burger King on military exchanges.

Thank you for your attention to this matter, and I look forward to your response.

Sincerely,

A handwritten signature in blue ink, reading "Jackie Speier". The signature is fluid and cursive, with a large loop at the beginning and a long horizontal stroke at the end.

Jackie Speier
MEMBER OF CONGRESS